

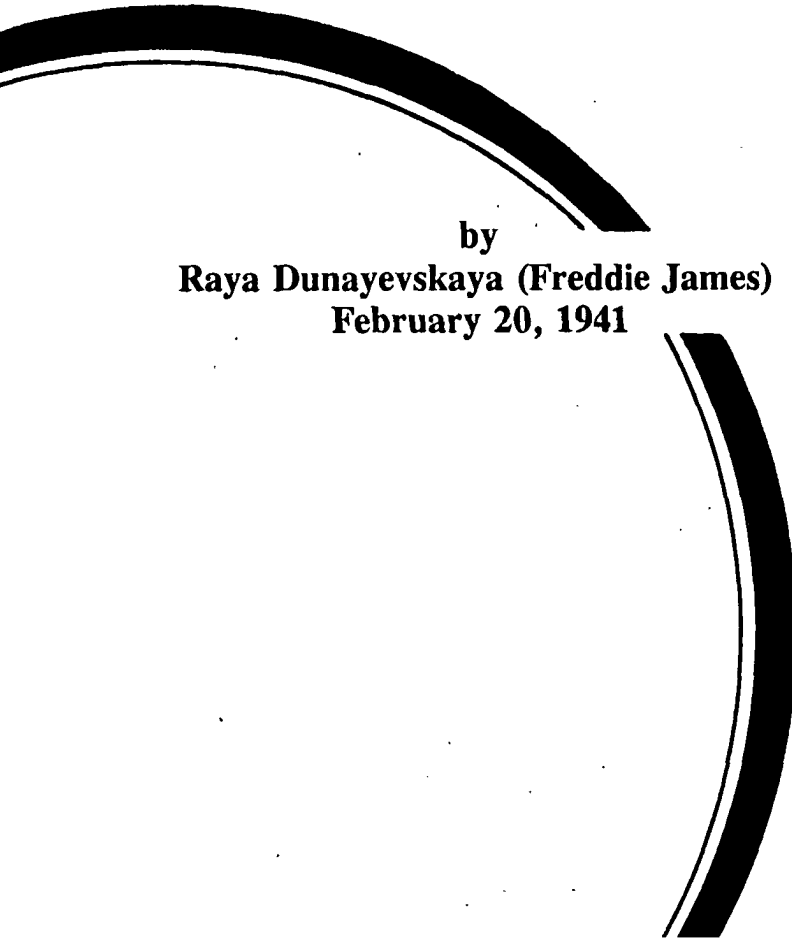
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# **The Union of Soviet Socialist Republics is a Capitalist Society**

by

**Raya Dunayevskaya (Freddie James)**

**February 20, 1941**



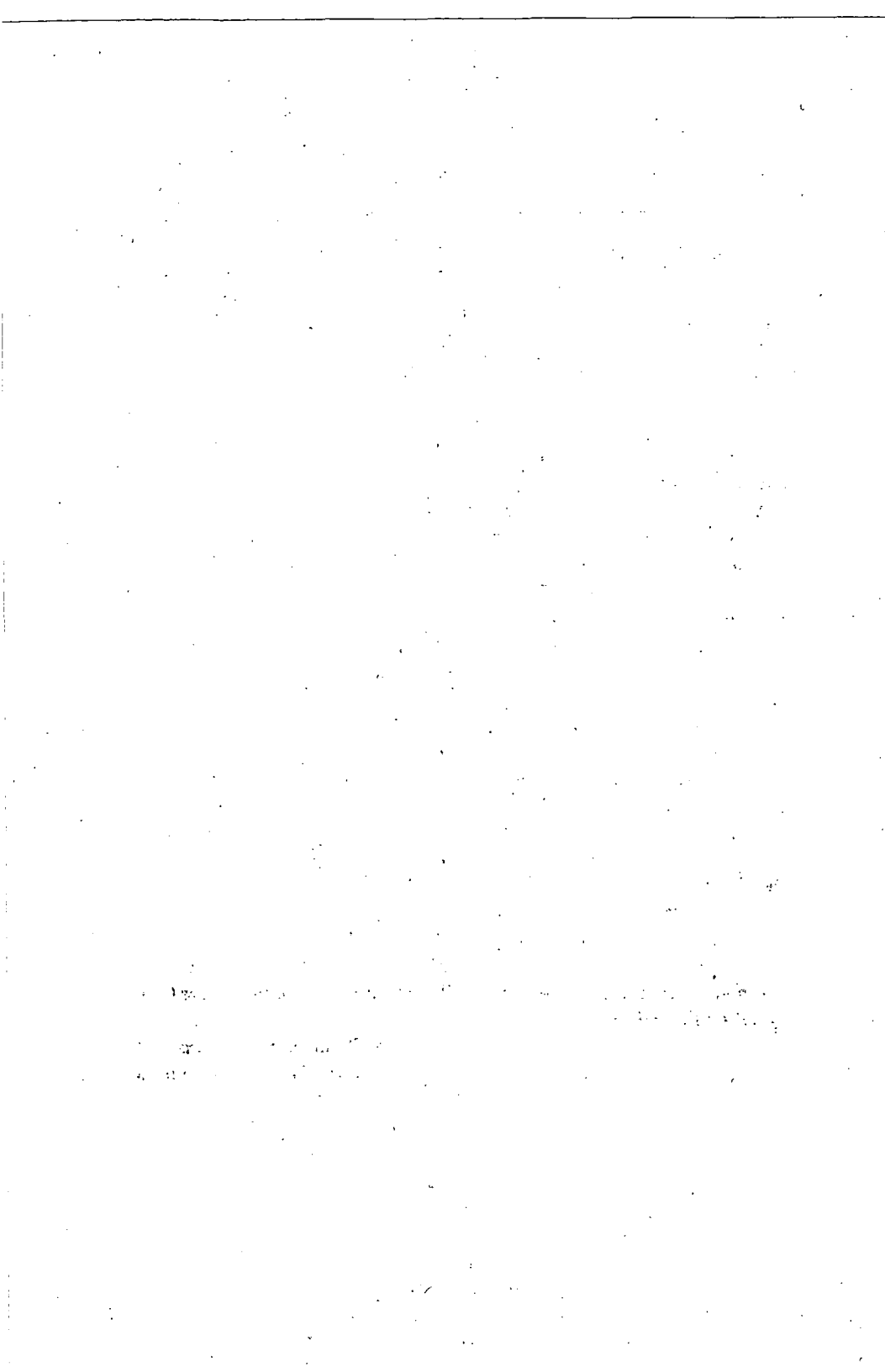


*We are proud to publish a truly historic discovery--the very first essay written by Raya Dunayevskaya on the theory of state-capitalism. This document, which has been missing for some five decades, had not been located at the time we published The Marxist-Humanist Theory of State-Capitalism in January, 1992. Dunayevskaya considered it of such importance that she listed it as the first entry in her Archives, The Raya Dunayevskaya Collection--Marxist-Humanism: A Half-Century of its World Development. We are thrilled to announce that the document was recently found. It appears here in printed form for the first time, and can now be studied along with the other documents on the theory of state-capitalism published in The Marxist-Humanist Theory of State-Capitalism (Chicago: News and Letters, 1992).*

*Dunayevskaya's essay, which carried the title "The Union of Soviet Socialist Republics is a Capitalist Society," was written in February, 1941, under the pseudonym "Freddie James." It was published by the Workers' Party in mimeographed form in an internal discussion bulletin of March, 1941. The essay was written before Dunayevskaya began her collaboration with C.L.R. James, who unknown to her at the time had also come to a state-capitalist position. Not long after writing the piece, Dunayevskaya and James began a theoretic-political collaboration in what became known as the "Johnson-Forest Tendency." For an account of what led to the breakup of the Johnson-Forest Tendency and Dunayevskaya's subsequent founding and development of the philosophy of Marxist-Humanism, see The Philosophic Moment of Marxist-Humanism (Chicago, 1989), and A History of Worldwide Revolutionary Developments: Twenty-Five Years of Marxist-Humanism in the U.S. (Detroit, 1980) by Raya Dunayevskaya.*

*What follows is the full text of the 1941 essay. It has not been edited, except to correct obvious typographical and grammatical errors. Footnotes with asterisks are by the author; numbered footnotes have been added by the editors.*

*--The Resident Editorial Board  
News and Letters Committees*



# The Union of Soviet Socialist Republics is a Capitalist Society

And even when society has got upon the right track for the discovery of the natural laws of its movement -- and it is the ultimate aim of this work, to lay bare the economic law of motion of modern society -- it can neither clear by bold leaps, nor remove by legal enactments, the obstacles offered by the successive phases of its normal development. But it can shorten and lessen the birth pangs.

--Karl Marx in Preface to *Capital*, Vol. I<sup>1</sup>

## I. Political and Social Rule

It was the contention of Comrade [Leon] Trotsky that the existence of statified property in Russia was sufficient to characterize it as a workers' state, regardless of the political regime in power. The counter-revolutionary Stalinist bureaucracy, therefore, could and did (though badly) defend the social rule of the proletariat. To thus epitomize the constituent elements of a workers' state is at wide variance with the views held by Marx and Lenin. Let us look at the birth of the Soviet Republic for a verification of their views.

In establishing itself as the ruling class, the Russian proletariat not only expropriated the capitalist and landlord but also guaranteed power to the poor; *political* power (a state controlled by them through their own organs -- the trade unions, the Soviets, the Bolshevik Party), and *social* power, which Lenin defined as the "practical participation in the management" of the state. Lenin emphasized that it was the aim of the Soviet state "to attract *every* member of the poor class to practical participation in the management."<sup>2</sup> In the same pamphlet, "Soviets at Work," he further elaborated this view: "The proximity of the Soviets to the toiling masses creates special forms of recall and other methods of control by the masses."<sup>3</sup> He called for the development "with specific diligence" of these special forms of recall and diverse methods

of mass control. By means of "practical participation in the management" of the state the political and social rule of the proletariat are merged and *that* guaranteed power in the hands of the proletariat. The diverse forms of mass control would paralyze "every possibility of distorting the Soviet rule," remove "the wild grass of bureaucratism." That was his practical interpretation of his theoretical elaboration of the state in his *State and Revolution*, to wit: 1) Control by the workers cannot be carried out by a state of bureaucrats but must be carried out by a state of armed workers. 2) In a proletarian state *all* must be "bureaucrats" so that no one could be a bureaucrat. 3) The state should be so constituted that it begins to wither away and cannot but wither away.

In 1918, Lenin stressed the fact that the expropriation of the capitalists was a comparatively simple problem when contrasted to the more complex one of "creating conditions under which the bourgeoisie could neither exist nor come anew into existence."<sup>4</sup> In the further development of the Soviet state, Lenin once again realized the practical meaning of the dictum of Marx that a society could "neither clear by bold leaps, nor remove by legal enactments, the obstacles offered by the successive phases of its normal development." But he knew that *so long* as the Soviet state "guaranteed powers to the workers and the poor" that it need not be fatal to it to "implant" state capitalism.

Not even the most pious worker-statist would contend that the workers had any power in the present Soviet state. He would merely reiterate that so long as there was statified property, etc., etc. But I deny that the social conquests of October [1917] -- the *conscious* and *active* political and practical participation of the masses in liberating themselves from the yoke of Tsarism, capitalism and landlordism -- are to be narrowly translated into mere statified property, that is to say, the ownership of the means of production by a state which in no way resembles the Marxian concept of a workers' state, i.e., "the proletariat organized as the ruling class."<sup>5</sup>

## II. State Capitalism or Bureaucratic State Socialism?

Comrade [Max] Shachtman<sup>6</sup> asks: "If the workers are no longer the ruling class and the Soviet Union no longer a workers' state and if there is no private property-owning capitalist class ruling Russia, what is the class nature of the state, and what exactly is the bureaucracy that dominates it?" And he answers: bureaucratic state socialism, because, among other things, the new term elucidates the "distinction from capitalism" characteristic of the class nature of the Soviet state.

But how does the mode of production differ under bureaucratic state socialist rule from that under capitalist rule? What is the economic law

of motion of this presumably new exploitative society? These crucial points Comrade Shachtman fails to discuss. Let me examine the alleged "distinction from capitalism" characteristic of the Soviet Union and see whether it isn't a distinction from a certain *stage* of capitalism rather than from capitalism as a whole.

The determining factor in analyzing the class nature of a society is not whether the means of production are the *private* property of the capitalist class or are state-owned, but whether the means of production are *capital*, that is, whether they are monopolized and alienated from the direct producers. The Soviet Government occupies in relation to the whole economic system the position which a capitalist occupies in relation to a single enterprise. Shachtman's designation of the class nature of the Soviet Union as "bureaucratic state socialism" is an irrational expression behind which there exists the real economic relation of state-capitalist-exploiter to the propertyless exploited.

Shachtman correctly emphasizes that: "The conquest of state power by the bureaucracy spelled the destruction of the property relations established by the Bolshevik Revolution." Yet he does not see that the "new" production relations are none other than the relations under capitalism. He does not even consider the possibility that the "new" exploitative society is state capitalism. Comrade Trotsky did consider that variant interpretation but violently opposes defining the Stalinist bureaucracy as a class of state capitalists. Let us see whether he was justified in his opposition.

State capitalism, Trotsky contended, does not exist in Russia since the ownership of the means of production by the state occurred in history by the proletariat with the method of social revolution and not by the capitalist with the method of state trustification.<sup>7</sup> But does the manner in which a thing is accomplished determine the use to which it is put by its usurpers any more than *each* task to be accomplished determines the group to execute it. "The bourgeois character of a revolution," wrote Trotsky in polemicizing against the Menshevik thesis that since the Russian Revolution was a bourgeois revolution the proletariat ought to renounce power in favor of the bourgeoisie, "could not answer in advance the question as to which class would solve the tasks of the democratic revolution."<sup>8</sup> In further expounding his theory of the permanent revolution, Trotsky wrote: "Socialization of the means of production had become a necessary condition for bringing the country out of barbarism. That is the law of combined development for backward countries." Precisely! But is it necessary among Marxists to stress the fact that socialization of the means of production is not socialism but as much an economic law of capitalist development as is monopoly. The weak Russian bourgeoisie was incapable of accomplishing either the democratic tasks of the revolution or the further development of the

productive forces. "Its" task was accomplished by the masses with the method of social revolution. However, the task of the young proletarian rulers was greatly complicated by the backwardness of Russia; and the treachery of the Social-Democracy left them unaided by the world proletariat. Finally, the Stalinist counter-revolution identified *itself* with the state. The manner in which the means of production were converted into state property did not deprive them of their becoming *capital*.

To prove that the particular state-monopoly capitalism existing in Russia did not come about through state trustification but by methods of social revolution explains its historic origin but does not prove that its economic law of motion differs from that analyzed by Karl Marx, Engels and Lenin. It is high time to evaluate "the economic law of motion of modern society" as it applies to the Soviet Union and not merely to retain for statified property the same "superstitious reverence" the opportunists entertained for the bourgeois state.

### III. No Defense of the Capitalist Society Existing in Russia

Because we did not clearly understand the class nature of the present Soviet state, the Soviet Union's integral participation in the Second Imperialist World War came as a monstrous surprise.<sup>9</sup> The Red Army march on Poland, the bloody conquest of part of Finland and the peaceful conquest of the Baltic states proved that the Stalinized Red Army had no more connection with the spirit, purpose and content of October than has the Stalinist state, whose armed might it is. What an abhorrent relapse from the conquests of October are the Stalinist conquests!

Long before the outbreak of World War II the Russian masses bore the brunt of this "abhorrent relapse." The worker had a first premonition of it when as a Left Oppositionist he fought the Thermidorians<sup>10</sup> who deprived him of his job along with his Communist Party membership card. The glimmer of hope that he had when the Stalinist bureaucracy nevertheless adopted the Opposition plank for industrialization and collectivization, faded as soon as he realized that the development of the productive forces did not raise his standard of living. He learned quickly enough that the "socialist fatherland" knew how to accumulate for other purposes. He would have felt the grind of Stakhanovism<sup>11</sup> if the name had not been Russified for him but had the original Ford-Taylor speed-up insignia. To call the piecework system which is best suited to capitalist exploitation "socialist working norms" does not lighten the degree of exploitation of the bricklayer who has to lay 16,000 bricks per day, or for a typist (if I may be permitted a petty-bourgeois interest in my own trade) to type 45 pages of 30 lines each and 60 strokes in each line per



day.\* Decreeing "universal, free and equal suffrage" does not make it possible for the 14-year-old to vote "no" to being conscripted in the labor reserves, "educated" (read: taught a trade), and at the end of the two-year training program, being put to work on state enterprises to work for four consecutive years--even if this newly educated 16-year-old is guaranteed "the established wage rate." It is not only that the income of the factory worker is 110 rubles a month, and that of the director 1,200 a month, but that the whole mode of production produces and reproduces the capitalist production relations. State capitalism, it is true, but capitalism nevertheless. Could we have forgotten that state property forms (and it is only *form*, not *relation*, for it is without control by the masses) are the aim of proletarian revolution only as a *means* to achieve the quicker the fullest development of the productive forces the better to *satisfy the needs of man*?

No, the existence of statified property in Russia does not make its defense imperative even were the Soviet Union attacked by other imperialist nations for purposes of abolishing statified property (which is less likely just now than the Stalinist state joining the "new order" of Hitler) -- unless we are to change our policy and call for the defense of, say, France because the work of the German fascists in dividing the country is of a decidedly retrogressive character.

It is the irrationality of Shachtman's characterization of the class nature of the Soviet Union as "bureaucratic state socialism" that leads him to expound conditional defense of the present Soviet state. It is the real economic relations behind that irrational expression that leads to: no defense of the capitalist society existing in Russia.

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\*The norms must be higher now. The above norms were effective up to June 26, 1940, at which time the working day was changed from 7 to 8 hours. This decree was supplemented by a law interpreting this lengthening of the work day by instructing the various institutions "to raise the norms of production and lower piece prices in proportion to the lengthening of the working day."

## NOTES

1. Karl Marx, *Capital*, Vol.I (New York: Vintage, 1977), p.92; see also *Capital*, Vol.I (Chicago: Charles H. Kerr, 1906), pp.14-15.
2. See V.I.Lenin, "The International Position of the Russian Soviet Republic and the Fundamental Tasks of the Socialist Revolution," in *Collected Works*, Vol.27 (Moscow: Progress Publishers, 1965), p.273.
3. *Ibid.*, pp.274-75.
4. *Ibid.*, p.245.
5. This expression of Marx is from *The Communist Manifesto*.
6. Max Shachtman (1903-72) was a leader of the Workers' Party who argued that Stalinist Russia was a form of "bureaucratic collectivism." For a presentation of Shachtman's views, see *The New Internationalist*, October, 1941, pp.238 ff.
7. See Leon Trotsky, *The Revolution Betrayed* (New York: Doubleday, 1937), p.248.
8. Leon Trotsky, *The Permanent Revolution* (New York: Pioneer, 1931), p. xxvii.
9. This refers to the signing of the Hitler-Stalin Pact of August 1939, which was followed within a month by the joint Russian and German carving up of East Europe.
10. The "Left Opposition" refers to the political opposition against Stalin grouped around Trotsky from 1923. "Thermidor" was the month in the calendar adopted by the French Revolution, in which Robespierre was overthrown by a reactionary wing of the revolution. Trotsky often used the term to describe those grouped around Stalin after 1923.
11. "Stakhanovism" was a system of speedup of production introduced in Russia in 1935, which led to a rise in income differentiation. It encountered much resistance by the workers. For Dunayevskaya's analysis of this phenomenon, see *The Marxist-Humanist Theory of State-Capitalism* (Chicago: News and Letters, 1992), pp. 61-62 especially.

